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<http://hrc.leg.wa.gov/members/sehlin.htm>



# 10th Legislative District 2004 Session Review

**Rep. Barry Sehlin**

## At a Glance

### Working to protect taxpayers and vulnerable citizens

We fought for, and successfully adopted a balanced budget that did not raise general fund taxes, yet protected core services for those who truly need government assistance.

### 2004 BUDGET OVERVIEW

Budget achievements  
Budget concerns

### KEY POLICY CHANGES IN THE 2004 BUDGET

K-12 EDUCATION  
HIGHER EDUCATION  
HUMAN SERVICES

### A new primary system in Washington

Chances are good that you will notice a difference in the way we vote in our state's September primary.

May 2004

Dear Friends and Neighbors,

The focus of our work in Olympia during the 2004 session was to keep our state on a path toward economic recovery. Progress is not always as swift as we would like, but with a fairly strong consensus among lawmakers that our economic climate needs improvement, we took important steps that will help enhance job opportunities for Washington's working families.

Following up on the package that allowed us to land the Boeing 7E7 final assembly jobs for our state, we have embarked on reforms that will make all sectors of our economy more competitive, creating new jobs for communities throughout Washington.

A strong economy provides the revenues we need to ensure ample funding for our schools, health care, parks and our environment. We think we've made significant progress toward improving our economy and our quality of life.

This session review offers a summary of the issues lawmakers addressed and the unfinished business important to the citizens of our district and our state. I hope you'll find this informative, and I encourage you to contact me with your questions and comments regarding these and other legislative issues.

It's an honor to serve as your state representative.

Sincerely,

Barry Sehlin  
State Representative

## Working to protecting taxpayers and vulnerable citizens

At the onset of the 2003-05 biennium last year, lawmakers were faced with the challenge of closing a shortfall of approximately \$2.7 billion. As part of our commitment to help our economy recover, House Republicans worked to craft a responsible long-term solution to the state's budget challenges that would not burden families and employers with new general fund tax increases. We fought for, and successfully adopted a balanced budget that did not raise general fund taxes, yet protected core services for those who truly need government assistance.

In 2004 the challenge before us was to make adjustments to the two-year budget by adopting a supplemental budget to cover higher costs in areas such as education, public safety and health care, without abandoning the responsible budget principles in the original budget.

I wouldn't say we were totally successful, but budget negotiators did strike a compromise that balances the Republicans desire to maintain a responsible budget that will protect taxpayers and the Democrats' preference for a higher level of spending. In the end, we passed a budget that spends more than we can afford over the long term, but at least we spent the money on things that are probably worthwhile, such as health care for low-income children and services for the developmentally disabled.



## 2004 BUDGET OVERVIEW

The 2004 supplemental operating budget increases general fund spending by \$165 million from the originally enacted 2003-05 level to \$23.25 billion. Fortunately, we were able to limit spending as compared to the budget proposed by House Democrats, which would have increased spending by \$225.1 million and left less than \$200 million in reserve.

The ending balance in the state general fund is expected to be \$278 million.

### Budget achievements

The supplemental budget adds new spending in priority areas, such as higher education access, support for hospitals for uncompensated care, long-term care, developmental disabilities, and natural resources. It funds important legislation in K-12 education and other areas. It addresses emergency needs such as fire suppression, and pays painful costs of litigation against the state.

It is a clear improvement over the Democrat proposal that passed the House in February, spending \$80 million less from the general fund, leaving about \$100 million more in reserve.

### Budget concerns

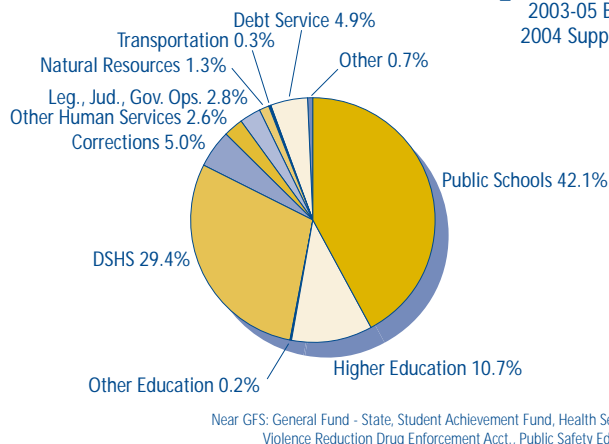
At the same time, there are causes for concern about the budget. It goes well beyond the usual purposes of a supplemental budget, which are to adjust the underlying budget for caseload changes and other unforeseen needs. While much of the new spending is for worthy purposes, the fiscal discipline that formed the basis for the original 2003-05 budget was in shorter supply this time.

In the end, the governor vetoed several budget provisions that would have achieved savings for taxpayers and left the state with reserves of \$278 million — just 1.2 percent of the total budget. This level of reserve is a very small margin to protect taxpayers against a downturn in revenues or unanticipated costs over the fifteen months still left in the biennium.

It spends about \$417 million more from the general fund than we expect to collect in revenues, making it unsustainable over the long term. It is reasonable to say, based on current forecast data, that the 2005 Legislature may face a shortfall of about \$1 billion for the 2005-07 biennium.

### Near General Fund - State Expenditures

2003-05 Biennium  
2004 Supplemental

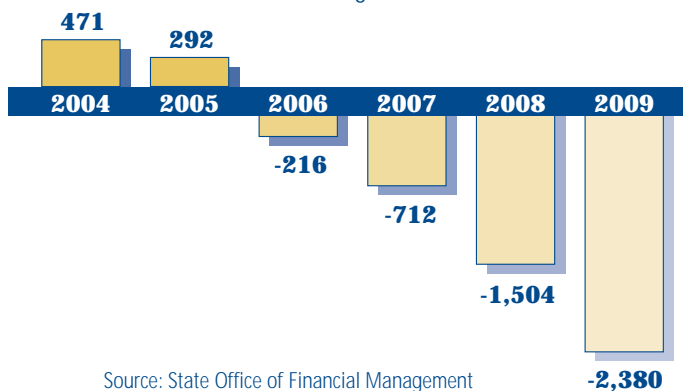


**“We passed a budget that spends more than we can afford over the long term...the fiscal discipline that formed the basis for the original 2003-05 budget was in shorter supply this time.”**

Rep. Barry Sehlin, Ranking Republican, House Appropriations Committee on the Supplemental Budget.

### Projected annual surplus or deficit

State general fund - in millions of dollars



Source: State Office of Financial Management

# KEY POLICY CHANGES IN THE 2004 BUDGET

## K-12 EDUCATION

The supplemental budget makes several policy changes in public schools, including the following expenditures to improve performance and accountability:

- \$3.6 million for levy equalization in property-poor school districts
- \$869,000 to improve the Washington Assessment of Student Learning exams
- \$637,000 to implement charter schools
- \$575,000 to improve math courses and materials
- \$9.5 million to increase funding for public school employee health benefits
- \$5.5 million to provide a 1 percent increase in salaries for classified employees.

## HIGHER EDUCATION

The budget makes a net \$25.9 million in policy changes in higher education, most of it for increased funding of enrollment and increased financial aid.

- Enrollment increases approved are as follows:

University of Washington .....	338
Washington State University .....	191
Eastern Washington University .....	78
Central Washington University .....	75
The Evergreen State College .....	37
Western Washington University .....	108
Community and Technical Colleges .....	1,223

- Additional increases in enrollment are funded for high-demand fields of study.
- \$8.8 million is provided for increased financial aid

## HUMAN SERVICES

- \$24 million to provide benefits and wage increases for home health care workers
- \$20.7 million to reduce children's Medicaid premiums
- \$16.6 million for grants to hospitals serving uninsured or underinsured patients
- \$2.8 million for community mental health services
- \$2.2 million for increase staffing for in-home, long-term care services
- \$4.9 million for services for the developmentally disabled
- \$3.8 million for foster care and services for victims of domestic violence

## A new primary system in Washington



Chances are good that you will notice a difference in the way we vote in our state's September primary. Washington's popular blanket primary was declared unconstitutional, requiring that the Legislature implement a new system or risk having no primary election in which voters can participate.

Lawmakers approved legislation to implement a new primary that would meet the test of the courts

for constitutionality while still protecting some of the elements of our long-cherished blanket primary that voters liked:

- 1) Allowing voters to have choice in their voting selections, and
- 2) Protecting their independence and privacy.

There are different political organizations and civic groups that have expressed an interest in what the new primary system should be. This issue will be most likely settled in court or by citizen initiative, but it is likely the new primary will resemble one of the following systems:

**MONTANA STYLE PRIMARY** – This system would require a voter to select a ballot for a given party and would limit the voter's selection for that party's candidates.

While somewhat limiting the voter's choice, this system has the advantage of maintaining voter privacy. No party registration is required and no record of the voter's ballot selection is kept.

**TOP-TWO PRIMARY** – The top-two primary would allow a voter to cast a vote for one candidate in each race, regardless of party – very similar to our current blanket primary system. The difference is that the top two vote getters in each primary race would move on to the general election, regardless of party.

While the system protects the voter's choice in the primary, it may limit their choice of candidates in the November general election, since the top two vote getters may both be from the same party. In other words, it may result in a general election race of two Democrats or two Republicans, rather than one from each party. It also leaves third party candidates with little or no chance of having a candidate on the November ballot.

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# It's Your Government. I'd like to hear from you!

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As your state representative, I look forward to answering questions you have, providing information you request, or helping you in your dealings with state government.

I hope you'll take the time to contact me when I can be of assistance.

**10th District  
2004  
Session  
Review**

**State Representative  
Barry Sehlin**

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